

PEB Board approves new plan choices, premiums for 2016

At its August 6 meeting, the Public Employees Benefits Board (PEB Board) approved the following changes to PEBB Program benefits and premiums effective **January 1, 2016**:

New medical plan options for 2016

Next year, the PEBB Program will offer three new medical plan options for employees as well as retirees and COBRA members not enrolled in Medicare Part A and Part B:

- **Uniform Medical Plan (UMP)** will offer two new medical plans that will provide better coordinated care, more service options, and lower costs when members self-refer to the plans' network providers. These new plans will offer members a wide choice of providers and health systems participating with the **Puget Sound High Value Network** and **UW Medicine Accountable Care Network**. The new UMP plans will be available in select counties in the Puget Sound region.
- **Group Health** will also have a new medical plan option—**SoundChoice**—with the same high-quality, coordinated services and same benefits and exclusions as Group Health's Classic and Value plans, but at an even lower monthly premium. Group Health SoundChoice will be available in King, Pierce, Snohomish, and Thurston counties.

Why is the PEBB Program offering these new options? These new plans are a key part of paying for value, a core strategy of Healthier Washington. The goal is to achieve better health and better care at lower costs. [Find out more.](#)

Changes to medical plan benefits in 2016



Group Health will:

- Cover cardiac rehabilitation under the physical, occupational, and speech therapy benefit with a combined limit of 60 inpatient days and 60 outpatient visits per year. *(All Group Health non-Medicare plans)*
- Offer a broader Access PPO network. *(Group Health Consumer-Directed Health Plan [CDHP] only)*
- Increase the per-visit copay for the physical, occupational, and speech therapy benefit from \$15 to \$30. *(Group Health Original Medicare only)*
- Implement changes listed under "New medical plan options for 2016" above, and "Benefit changes for all non-Medicare Group Health, Kaiser Permanente, and UMP plans" and "Changes to medical out-of-pocket limits for families enrolled in CDHPs" below.



Kaiser Permanente will:

- Increase its annual deductible from \$250 in 2015 to \$300 in 2016. *(Kaiser Permanente Classic)*
- Increase copays for office visits *(Kaiser Permanente Classic)*:
 - Primary care: From \$20 in 2015 to \$25 in 2016
 - Specialty care: From \$30 in 2015 to \$35 in 2016

- Urgent care: From \$40 in 2015 to \$45 in 2016
- Change in emergency room cost-sharing: From \$75 copay in 2015 to 15% coinsurance in 2016 (annual deductible still applies). (*Kaiser Permanente Classic*)
- New cost-sharing for medications administered during an inpatient or outpatient (including office) visit: 15% coinsurance (annual deductible still applies). Applies to medication only; separate copay for type of visit still applies. (*Kaiser Permanente Classic and Consumer-Directed Health Plan [CDHP]*)
- Increase the annual medical out-of-pocket maximum from \$4,200 per subscriber/\$8,400 per family in 2015 to \$5,100 per subscriber/\$10,200 per family in 2016. (*Kaiser Permanente CDHP*)
- Change its prescription drug tiers and costs (*Kaiser Permanente Classic and CDHP*):

Prescription drug tiers	2015	2016
Tier 1 – Generic	\$15	\$15
Tier 2 – Preferred brands	\$30	\$40
Tier 3 – Non-preferred brands	No Tier 3—member pays \$30 copay like Tier 2	\$75
Tier 4 – Specialty	No Tier 4—member pays \$30 copay like Tier 2	50% (up to \$150)

- Implement changes listed under “Benefit changes for all non-Medicare Group Health, Kaiser Permanente, and UMP plans” and “Changes to medical out-of-pocket limits for families enrolled in CDHPs” below.



Uniform Medical Plan (UMP) will:

- Implement changes listed under “New medical plan options for 2016” above, and “Benefit changes for all non-Medicare Group Health, Kaiser Permanente, and UMP plans” and “Changes to medical out-of-pocket limits for families enrolled in CDHPs” below.

Benefit changes for all non-Medicare Group Health, Kaiser Permanente, and UMP plans

- Expand coverage for end-of-life counseling.
- Provide coverage for short-term alcohol and substance abuse treatment in various settings, by various provider types.
- Expand coverage for preventive services based on U.S. Preventive Services Task Force recommendations to include:
 - Tobacco cessation quit medications and aids—Coverage for all medications and nicotine replacement therapy with a prescription.
 - Coverage for eight new preventive services with no member cost-sharing:
 1. **Sexually transmitted infections**—Provide intensive behavioral counseling for sexually active adolescents and adults at increased risk.
 2. **Chlamydia and gonorrhea**—Screen sexually active women 24 or younger, and older women based on risk.

3. **Hepatitis B**—Screen non-pregnant adolescents and adults at high risk.
4. **Cardiovascular disease**—Offer or refer adults at risk to intensive behavioral counseling.
5. **Dental caries (cavities)**—Prescribe fluoride at age 6 months when water supply is fluoride-deficient; also provide fluoride varnish at primary tooth eruption.
6. **Abdominal aortic aneurysm**—Screen men ages 65-75 via ultrasonography if they have ever smoked.
7. **Gestational diabetes mellitus**—Screen pregnant women with no symptoms after 24 weeks of pregnancy.
8. **Preeclampsia**—Use low-dose aspirin after 12 weeks of pregnancy for women at high risk for preeclampsia.

2016 monthly premiums

State agency, higher-education institution, and community and technical college employees

These premiums **do not** apply to employees of school districts, educational service districts, and political subdivisions (such as cities, counties, ports, water and hospital districts, etc.). Employees in these PEBB-participating groups should contact their personnel, payroll, or benefits office for information about 2016 premiums.

Plan Name	EMPLOYEE PREMIUMS							
	Employee		Employee & Spouse*		Employee & Child(ren)		Full Family	
	2015	2016	2015	2016	2015	2016	2015	2016
Group Health Classic	\$107	\$118	\$224	\$246	\$187	\$207	\$304	\$335
Group Health Consumer-Directed Health Plan (CDHP)	26	22	62	54	46	39	82	71
New Group Health SoundChoice	N/A	45	N/A	100	N/A	79	N/A	134
Group Health Value	75	81	160	172	131	142	216	233
Kaiser Permanente Classic	125	144	260	298	219	252	354	406
Kaiser Permanente Consumer-Directed Health Plan (CDHP)	35	29	80	68	61	51	106	90
Uniform Medical Plan (UMP) Classic	84	84	178	178	147	147	241	241
UMP Consumer-Directed Health Plan (CDHP)	31	21	72	52	54	37	95	68
New UMP – Puget Sound High Value Network	N/A	59	N/A	128	N/A	103	N/A	172
New UMP – UW Medicine Accountable Care Network	N/A	59	N/A	128	N/A	103	N/A	172

*or registered domestic partner

Monthly medical premiums for non-Medicare retirees *(estimated)*

The PEBB Program will include the final 2016 premiums in the October *For Your Benefit* newsletter (scheduled to mail in mid-to-late October). Retirees also will receive a personalized letter in late October to explain plan options and premiums for 2016.

Plan Name	NON-MEDICARE RETIREE PREMIUMS <i>(ESTIMATED)</i>							
	Retiree		Retiree & Spouse*		Retiree & Child(ren)		Full Family	
	2015	2016	2015	2016	2015	2016	2015	2016
Group Health Classic	\$601	\$611	\$1,195	\$1,216	\$1,047	\$1,064	\$1,641	\$1,669
Group Health Consumer-Directed Health Plan (CDHP)	530	523	1,045	1,034	931	921	1,387	1,374
New Group Health SoundChoice	N/A	538	N/A	1,070	N/A	937	N/A	1,469
Group Health Value	569	574	1,133	1,142	992	1,000	1,555	1,568
Kaiser Permanente Classic	620	637	1,233	1,269	1,080	1,111	1,693	1,742
Kaiser Permanente Consumer-Directed Health Plan (CDHP)	540	530	1,065	1,048	948	933	1,414	1,393
Uniform Medical Plan (UMP) Classic	579	577	1,151	1,148	1,008	1,005	1,580	1,576
UMP Consumer-Directed Health Plan (CDHP)	536	522	1,056	1,034	941	920	1,403	1,373
New UMP – Puget Sound High Value Network	N/A	552	N/A	1,099	N/A	962	N/A	1,509
New UMP – UW Medicine Accountable Care Network	N/A	552	N/A	1,099	N/A	962	N/A	1,509

**or registered domestic partner*

Monthly medical premiums for Medicare retirees enrolled in Part A and Part B *(estimated)*

The PEBB Program will include the final 2016 premiums in the October *For Your Benefit* newsletter (scheduled to mail in mid-to-late October). Retirees also will receive a personalized letter in late October to explain 2016 plan options and premiums.

Plan Name	MEDICARE RETIREE PREMIUMS <i>(ESTIMATED)</i> (SUBSCRIBER ONLY) includes up to \$150.00 state contribution*	
	2015	2016
Group Health Medicare Plan (Medicare Advantage or Original Medicare)	\$148.14	\$135.90
Kaiser Permanente Senior Advantage	153.02	158.70
Medicare Supplement Plan F (disabled)	209.26	209.04
Medicare Supplement Plan F (retired)	110.08	109.86
Uniform Medical Plan (UMP) Classic <i>Why are UMP Medicare rates increasing?</i>	234.69	267.89

**State contribution limited to \$150.00 or 50 percent of plan premium, whichever is less.*

There are no changes to the state contribution for Medicare retirees' 2016 monthly premiums (up to \$150.00 per month or 50 percent of plan premium, whichever is less). This state contribution has been the same since 2012.

Changes to medical out-of-pocket limit for families enrolled in CDHPs

The Group Health, Kaiser Permanente, and UMP Consumer-Directed Health Plans (CDHPs) will change how they administer the medical out-of-pocket limit for families (two or more enrolled family members) when one family member reaches a certain medical out-of-pocket limit. (There are no changes to the actual medical out-of-pocket limits for Group Health and UMP CDHPs; see change to Kaiser Permanente's CDHP under "Changes to medical plan benefits in 2016.")

In 2015: The CDHPs require that a family must meet the family medical out-of-pocket limit before the plan pays 100% for any enrolled family member's covered benefits.

For 2016: If an enrolled family member meets a certain out-of-pocket limit, the CDHPs will pay 100% for covered benefits for that family member—even if the family out-of-pocket limit has not been reached.

Annual medical out-of-pocket limits for families in 2016

Group Health CDHP	Kaiser Permanente CDHP	UMP CDHP
\$10,200 per family If one family member reaches \$5,100 in eligible out-of-pocket costs, the plan will pay 100% for covered benefits for that family member.	\$10,200 per family If one family member reaches \$5,100 in eligible out-of-pocket costs, the plan will pay 100% for covered benefits for that family member.	\$8,400 per family If one family member reaches \$6,850 in eligible out-of-pocket costs, the plan will pay 100% for covered benefits for that family member.

Changes to employee life insurance premiums

Premiums for supplemental life insurance will decrease for 2016. The premiums will be available on the PEBB Program's website starting in mid-October.

Changes to employee long-term disability (LTD) premiums

Premiums for optional LTD insurance will increase for 2016. The premiums (based on a percentage of the employee's income) will be available on the PEBB Program's website starting in mid-October.

Other approved changes at the July 22, 2015 PEB Board meeting

The PEB Board adopted the following changes to:

- **SmartHealth wellness incentive deadlines**—Effective January 1, 2016, eligible subscribers must complete the SmartHealth wellness incentive program requirements by the following deadlines to receive a PEBB wellness incentive in the following year:
 - For subscribers continuing enrollment in PEBB medical and subscribers enrolling in PEBB medical with an effective date in January, February, March, April, May, or June, the deadline is September 30.
 - For subscribers enrolling in PEBB medical with an effective date in July or August, the deadline is 120 days from the subscriber's PEBB medical effective date.
 - For subscribers enrolling in PEBB medical with an effective date in September, October, November, or December, the deadline is December 31.
- **Waiving enrollment in PEBB medical when an employee is enrolled in TRICARE as a retiree**—Effective January 1, 2016, an employee may waive enrollment in PEBB medical if he or she is eligible and enrolled in TRICARE as a retiree or a dependent of a retiree. (An employee may continue to waive enrollment in PEBB medical when the employee is eligible and enrolled in TRICARE as an employee or the dependent of an employee.)